

**DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT
DIVISION OF HOUSING POLICY DEVELOPMENT**

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December 13, 2021

Daniel Alcayaga, Planning Manager
Community Development Department
Town of Apple Valley
14955 Dale Evans Parkway
Apple Valley, CA 92307

Dear Daniel Alcayaga:

RE: Town of Apple Valley's 6th Cycle (2021-2029) Revised Draft Housing Element

Thank you for submitting the Town of Apple Valley's (Town) revised draft housing element received for review on October 15, 2021. Pursuant to Government Code section 65585, subdivision (b), the California Department of Housing and Community Development (HCD) is reporting the results of its review. In addition, HCD considered comments from Sean Gorden, YIMBY Law, pursuant to Government Code section 65585, subdivision (c).

The revised draft element addresses some statutory requirements described in HCD's June 7, 2021 review; however, the following revisions will be necessary to comply with State Housing Element Law (Article 10.6 of the Gov. Code).

1. *Affirmatively further(ing) fair housing in accordance with Chapter 15 (commencing with Section 8899.50) of Division 1 of Title 2. The program shall include an assessment of fair housing... (Gov. Code, § 65583, subd. (c)(10)(A).)*

Promote and affirmatively further fair housing opportunities and promote housing throughout the community or communities for all persons regardless of race, religion, sex, marital status, ancestry, national origin, color, familial status, or disability, and other characteristics... (Gov. Code, § 65583, subd. (c)(5).)

Racial/Ethnic Areas of Concentration of Poverty (R/ECAP) and Areas of Affluence (RCAA): The element states that a R/ECAP does not exist; however, as noted in the element, the Town does have an area of High Segregation and Poverty according to TCAC/HCD Opportunity maps. As a result, the element should include a specific analysis of this area; addressing conditions and circumstances, trends, coincidence with other components of the assessment of fair housing (AFH) and the effectiveness of past and current strategies to promote inclusive communities

and equitable. This analysis should be complemented by local data and knowledge and other relevant factors as described below.

Site Inventory: The element generally states sites are identified throughout the community but generally does not include analysis to address this requirement. The analysis must identify whether sites improve or exacerbate conditions and whether sites are isolated by income group. A full analysis should address the income categories of identified sites with respect to location, the number of sites and units by all income groups and how that affects the existing patterns for all components of the assessment of fair housing (e.g., segregation and integration, access to opportunity). The element should also discuss whether the distribution of sites improves or exacerbates conditions. If sites exacerbate conditions, the element should identify further program actions that will be taken to promote equitable quality of life throughout the community (e.g., anti-displacement and place-based community revitalization strategies).

Other Relevant Factors: The element must include other relevant factors that contribute to fair housing issues in the jurisdiction. For instance, the element should analyze historical land use, zoning, governmental and nongovernmental spending, including transportation investments, demographic trends, historical patterns of segregation, or other information that may have impeded housing choices and mobility.

Contributing Factors: The element should re-assess and prioritize contributing factors upon completion of analysis and make revisions as appropriate.

Goals, Actions, Metrics, and Milestones: The element must be revised to add or modify goals and actions based on the outcomes of a complete analysis. Goals and actions must specifically respond to the analysis and to the identified and prioritized contributing factors to fair housing issues and must be significant and meaningful enough to overcome identified patterns and trends. Actions must have specific commitment, metrics, and milestones as appropriate; and must address housing mobility enhancement; new housing choices and affordability in high opportunity areas; place-based strategies for community preservation, revitalization and displacement protection.

2. *An inventory of land suitable and available for residential development, including vacant sites and sites having realistic and demonstrated potential for redevelopment during the planning period to meet the locality's housing need for a designated income level, and an analysis of the relationship of zoning and public facilities and services to these sites. (Gov. Code, § 65583, subd. (a)(3).)*

Identify actions that will be taken to make sites available during the planning period with appropriate zoning and development standards and with services and facilities

to accommodate that portion of the city's or county's share of the regional housing need for each income level that could not be accommodated on sites identified in the inventory... without rezoning... Sites shall be identified as needed to facilitate and encourage the development of a variety of types of housing for all income levels... (Gov. Code, § 65583, subd. (c)(1).)

Parcel Listing: As noted in the prior review, parcels must be listed by affordability levels. In response, the element now labels all multifamily and mixed-uses zoned sites with lower and moderate-income affordability. However, sites identified for lower and moderate income should be separated in some manner based on the anticipated affordability of identified sites.

Electronic Sites Inventory: As a reminder, the Town must submit an electronic sites inventory with its adopted housing element. As part of the electronic inventory, the Town must identify sites by anticipated income category. Please see HCD's housing element webpage at <https://www.hcd.ca.gov/community-development/housing-element/index.shtml#element> for a copy of the form and instructions. The Town can reach out to HCD at sitesinventory@hcd.ca.gov for technical assistance.

Programs: As noted above, the element does not include a complete site analysis; therefore, the adequacy of sites and zoning was not established. Based on the results of a complete sites inventory and analysis, the Town may need to add or revise programs.

3. *An analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels... including land use controls, building codes and their enforcement, site improvements, fees and other exactions required of developers, and local processing and permit procedures. (Gov. Code, § 65583, subd. (a)(5).)*

Address and, where appropriate and legally possible, remove governmental and nongovernmental constraints to the maintenance, improvement, and development of housing, including housing for all income levels and housing for persons with disabilities... (Gov. Code, § 65583, subd. (c)(3).)

Land Use Controls: The element now identifies multifamily parking requirements of 2 to 2.5 spaces per unit, including garage requirements, depending on the size of the development. The element should specifically evaluate these requirements for impacts on housing cost and supply, particularly for smaller bedroom types and add programs to address constraint.

Processing and Permit Procedures: While the element now includes a program to remove the conditional use permit for larger multifamily developments, it must

still evaluate findings for the Development Plan review and include programs as appropriate. Please see the prior review for additional information

Housing for Persons with Disabilities: While the element now provides that the Development Code be amended to allow group homes of seven or more as a permitted use, it must still identify and analyze any definition of family and include a program as appropriate.

4. *The housing element shall contain programs which assist in the development of adequate housing to meet the needs of extremely low-, very low-, low- and moderate-income households. (Gov. Code, § 65583, subd. (c)(2).*

The element must include programs for elderly and persons with disabilities. However, the element should consider all special needs groups and programs should be revised with proactive outreach including more specific timelines (e.g., annual) instead of “as proposed”.

5. *Establish the number of housing units, by income level, that can be constructed, rehabilitated, and conserved over a five-year time frame. (Gov. Code, § 65583, subd. (b) (1 & 2).)*

The element must include quantified objectives to establish an estimate of housing units by income category, including extremely low-income households, that can be constructed, rehabilitated, and conserved over the planning period.

6. *Include a diligent effort by the local government to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort. (Gov. Code, § 65583, subd. (c)(9).)*

As noted in the prior review, HCD encouraged the Town to consider comments from High Desert Intersections Collaborative. In response, the revised draft notes some programs were modified and most recommendations were already in place. However, neither modifications nor recommendations already in place are apparent in the revised housing element. HCD again encourages the Town to consider these comments and make revisions where appropriate.

In addition, as a reminder, the availability of the document to the public and opportunity for public comment prior to submittal to HCD is essential to the public process and HCD's review. The Town must proactively make future revisions available to the public, including any commenters, prior to submitting any revisions to HCD and diligently consider and address comments, including revising the document where appropriate. HCD's future review will consider the extent to which the revised element documents were circulated and how the Town solicited, considered, and addressed public comments in the element. The Town's consideration of public comments must not be limited by HCD's findings in this review letter.

The element will meet the statutory requirements of State Housing Element Law once it has been revised and adopted to comply with the above requirements.

As a reminder, the Town's 6th cycle housing element was due October 15, 2021. As of today, the Town has not completed the housing element process for the 6th cycle. The Town's 5th cycle housing element no longer satisfies statutory requirements. HCD encourages the Town to revise the element as described above, adopt, and submit to HCD to regain housing element compliance.

For your information, pursuant to Assembly Bill 1398 (Chapter 358, Statutes of 2021), if a local government fails to adopt a compliant housing element within 120 days of this statutory deadline, then any rezoning to accommodate the regional housing needs allocation (RHNA), including for lower-income households, shall be completed no later than one year from the statutory deadline. Otherwise, the local government's housing element will no longer comply with State Housing Element Law and HCD may revoke its finding of substantial compliance pursuant to Government Code section 65585, subdivision (i).

Several federal, state, and regional funding programs consider housing element compliance as an eligibility or ranking criteria. For example, the CalTrans Senate Bill (SB) 1 Sustainable Communities grant; the Strategic Growth Council and HCD's Affordable Housing and Sustainable Communities programs; and HCD's Permanent Local Housing Allocation consider housing element compliance and/or annual reporting requirements pursuant to Government Code section 65400. With a compliant housing element, the Town will meet housing element requirements for these and other funding sources.

HCD is committed to assisting the Town in addressing all statutory requirements of State Housing Element Law and appreciates your efforts in the preparation of your revised draft element. If you have any questions, please contact Gerlinde Bernd at Gerlinde.Bernd@hcd.ca.gov.

Sincerely,



Paul McDougall
Senior Program Manager